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Budget 2024 Paid Internship Scheme: Stipend, Companies, Eligibility and More!

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Finance Minister Nirmala Sitharaman has announced a new paid internship scheme to offer training to 1 crore individuals over the next 5 years across the top 500 companies of India.

On July 23, Union Finance Minister Nirmala Sitharaman announced the government's plan to launch an internship program aimed at offering on-the-job training to one crore young individuals. Over the next five years, this scheme will provide opportunities in the top 500 companies across the country with a monthly stipend of Rs. 5000.

This scheme is part of five schemes and initiatives designed to provide employment, skill development, and other opportunities to 4.1 crore youth over five years, with a central budget of Rs 2 lakh crore.

According to her, the companies providing these internships will cover the training expenses, allocating 10% of these costs from their Corporate Social Responsibility (CSR) funds. **Section 135 of the Companies Act 2013** mandates that firms meeting specific turnover and profitability criteria must allocate 2% of their average net profit from the past three years towards CSR activities.

Who is not eligible for the Paid Internship Scheme?

- Candidates with qualifications including degrees from: – Indian Institutes of Technology (IIT) – Indian Institutes of Management (IIM) – Indian Institutes of Science Education and Research (IISER)
- Candidates who are: – Chartered Accountants (CA) – Cost and Management Accountants (CMA)
- Candidates with: – A family member employed in a government job – Family members who are income tax assessees

Key Highlights of the Paid Internship Scheme

- Duration and Exposure: – Students will participate in a 12-month program. – They will gain experience in real-life business environments, explore various professions, and discover employment opportunities.
- Financial Support: – Interns will receive an allowance of Rs 5,000 per month. – A one-time assistance of Rs 6,000 will be provided to each intern.
- Phases of the Scheme: – Phase 1: Two-year duration. – Phase 2: Three-year duration.
- Cost and Funding: – Companies will cover the training costs. – 10% of the internship costs will be funded through the companies' Corporate Social Responsibility (CSR) budgets.
- Application Process: Applications will be submitted through an online portal, with further details to be announced later.

Finance Minister Nirmala Sitharaman's announcement regarding internship opportunities at 500 leading companies in the country has generated diverse reactions. While companies and many others have lauded the move as it not only helps train the youth but also build up a pipeline of skilled youth workforce in the country; many critics have called it an attempt to draw the attention away from bigger issues like huge-scale unemployment and alleged **"unemployable" condition of today's graduates**.

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